

# Auditing: The Latest Developments - 2022

## Course Description

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Topics include: addressing the auditor's consideration of the business and economic environment in which the client operates; accounting and auditing engagement issues during COVID-19 including the impact of the pandemic on an entity's ability to continue as a going-concern; client and employee fraud; specific accounting risks for auditors to consider; limiting auditor's liability; key audit focus areas during volatile times; lessons from litigation; efficiency engagements to reduce auditor time; various practice issues related to audits; dealing with DOL audits of employee benefit plans; and more.

Additionally, in this course, auditors will learn about the new auditor's report, auditing estimates and audit evidence, and changes made to the auditor's understanding of the entity, its environment, and risk assessment procedures, and the guidance on using the work of specialists as audit evidence. These changes are found in newly issued SAS Nos. 134-145 and the new attestation standards found in SSAE Nos. 19-22.

The course focuses on recalling, recognizing and identifying rules related to auditing standards including new developments pertaining to those standards.

**Completion Deadline & Exam:** This course, including the examination, must be completed within one year of the date of purchase.

**Course Level:** Overview. This program is appropriate for professionals at all organizational levels.

**CPE Credits:** 16 (CPA)

**Field of Study:** Auditing

**Prerequisite:** General understanding of auditing standards

**Advanced Preparation:** None

## Course Learning Objectives

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### Section 1:

1. Identify an example of a concentration which might require disclosure
2. Recall the definition of near term
3. Identify the most obvious approach to account for a PPP loan under GAAP
4. Recall how an entity should account for PPP loan forgiveness
5. Identify a scenario in which it would be impracticable for an auditor to attend a physical inventory
6. Recognize an advantage of remote auditing

7. Recognize a behavioral trait of most occupational fraudsters
8. Recognize the difference between fraud and an error
9. Recall the three conditions of the fraud triangle
10. Identify common types of financial statement fraud noted by the FBI
11. Recognize an example of a misappropriation of assets
12. Identify an additional procedure required to deal with the risk of management override of internal controls
13. Recognize a factor to consider in evaluating going concern of an entity
14. Recall how an investment in equity security should be accounted for under GAAP
15. Recognize the new sales tax rules in the wake of the Wayfair decision
16. Recognize an example of a coverage ratio
17. Recall the timeframe within which most lawsuits against auditors occur
18. Identify a recommendation to tighten up auditor workpapers

## **Section 2:**

1. Identify a suggestion for an auditor reducing time and increasing audit efficiency
2. Recognize when negative accounts receivable confirmations should not be used
3. Identify the form of a comfort letter that would be appropriate for an accountant to make to a lender
4. Recall the rule for an auditor presenting his or her city and state on the audit report
5. Identify the rules for an auditor communicating deficiencies found in an audit
6. Recognize an example of a result that can occur if there is a problem with a DOL employee benefit plan audit
7. Identify a type of fraudster
8. Recall the location of certain sections in the auditor's report
9. Recognize the categorization of an adverse opinion
10. Identify a change that SAS No. 136 makes to the limited-scope ERISA audit
11. Recognize one of the changes made by AU-C 703 to ERISA audits
12. Recall the reporting requirement when an auditor obtains other information in an audit
13. Identify a reference that is made in the new definition of materiality
14. Recognize the definition of certain types of paragraphs made by SAS No. 139
15. Recognize an example of an attribute of information obtained as audit evidence per SAS No. 142
16. Identify how inherent and control risk should be assessed under the SAS No. 143 requirements
17. Recall the three approaches that an auditor can use to perform further audit procedures required by SAS No. 143
18. Identify some instances in which an auditor may conclude that a specialist's work is not adequate
19. Identify a type of risk assessment procedure that an auditor can use in accordance with SAS No. 145
20. Recall examples of risk assessment procedures that an auditor may perform in SAS No. 145
21. Recognize how to perform risk assessment procedures when relying on information obtained from previous experience with an entity
22. Identify examples of risk assessment procedures to obtain audit evidence in accordance with SAS No. 145
23. Recognize a new requirement made by SAS No. 145 in connection with assessing inherent risk and control risk in an audit, and

24. Identify how an auditor should respond if the auditor does not plan to test the operating effectiveness of an entity's controls.
25. Identify a change made by SSAE No. 19
26. Recognize one of the four types of engagements within SSAE No. 21's new definition of attestation engagement
27. Identify an example of subject matter that is within the scope of SSAE No. 22's review